

**MONTANA PUBLIC SERVICE COMMISSION
UTILITY DIVISION
AGENDA NO. 07-09-18**

Date Published: September 13, 2007

For Work Week Commencing: September 17, 2007

Commission Meeting: September 18, 2007 9:00 a.m.

General Introduction This agenda is the Commission's Utility Division agenda for the work week designated. In the later part of each week (generally, Thursday by 2:00 p.m.) prior to the work week to which an agenda pertains, the agenda is posted on the public information bulletin board at the Commission offices, deposited in the mail directed to all persons who have properly requested notice by mail, emailed to all persons who have properly requested notice by email, and posted to the Public Service Commission's worldwide web site located at <http://www.psc.mt.gov>.

Place of Meetings All meetings are held at the Commission offices, 1701 Prospect Avenue, Helena, Montana, unless otherwise noted.

Live audio feed Unless otherwise noted on this agenda, all Commission meetings held during regular business hours that are noticed on this agenda will be webcast live via the audio feed link on the PSC website (<http://psc.mt.gov/eDocs/#Calendars>). The audio feeds of meetings are also archived at the same website location.

Inquiries General inquiries concerning this Utility Division agenda and subscribing to notice by mail may be made to Kate Whitney at (406) 444-3056. She may refer inquiries to another person within the agency.

Accommodation for Persons with Disabilities Anyone needing an accommodation for physical, hearing, or sight impairment in order to attend a scheduled meeting should contact the Commission secretary at (406) 444-6199 sufficiently prior to the meeting to allow accommodations to be made.

9:00 a.m. Weekly Scheduling (Commission Conference Room – No Web Audio Feed)

9:30 a.m. Business (Bollinger Room)

Public Comments

Action Items All items identified below are for action at the Commission business meeting.

1. Qwest N2007.8.99 (Scott)

On August 24, 2007, Qwest filed Tariff Transmittal 07-04. This filing introduces one, two, and three-year term agreement pricing option for Qwest Choice™ Business, Qwest Choice™ Business Plus and Add-A-Line packages. This filing also proposes to grandfather the current term discount pricing option for the above named packages. Qwest is requesting a September 24, 2007, effective date. Probable motion: Approve Qwest's Tariff Transmittal 07-04 in Docket N2007.8.99.

2. Citizens Telecommunications N2007.8.100 (Scott)

On August 27, Citizens filed Advice Letter No. MT-07-08, Access tariff filing. The purpose of this filing is to introduce 8XX Data Base Service. 8XX Data Base Service is an Originating offer of Switched Access Service utilizing the SS7 Signaling Network. Citizens request that this filing become effective on September 27, 2007. Probable motion: Approve Citizens' Advice Letter No. MT-07-08 in Docket N2007.8.100.

3. NORTHWESTERN ENERGY DOCKET NO. D97.11.219 (Eric)

On September 10, 2007, NWE filed its semi-annual true-up Advice Letter pursuant to Order No. 6035a. This filing is made by NWE in its role as servicer of the Natural Gas Transition Bonds. If the previous six-month period variance between the scheduled debt service and the actual amounts available to satisfy the scheduled debt service for such period exceeds 2 percent NWE is required to apply for adjustment to the Fixed Transition Amount (FTA) charges. The variance for the period was an over collection of 14.27 percent or \$550,996. A decrease in FTA-GP, FTA-RA (Core), FTA-RA (Non-Core) rates is necessary based on future payment obligations and projected market load. The new FTA rates should ensure enough funds are collected to make the next principal and interest payment. Staff recommends that the changes in the FTA charges be approved effective October 1, 2007. Probable Motion: Approve NWE's requested rate decreases for the semi-annual true-up of the Natural Gas Transition Bonds.

Work Sessions All items identified below are for Commission discussion or action on the day designated.

1. D2007.7.86 & D2007.7.87 – Verizon (bona fide notice to interconnect with Ronan and Hot Springs) – Consider and act on the Verizon/Ronan/Hot Springs Stipulation for suspension of procedural schedule. (9/18/07)
2. D2007.6.68, D2007.6.69, D2007.6.72, D2007.6.73, D2007.7.88 – Blackfoot Communications, Blackfoot Telephone Cooperative, Bresnan Communications, Qwest Corporation, TeleQuality Communications, American Fiber Networks, Citizens Telecommunications Company of Montana, Verizon Wireless – Interconnection Agreements – Discuss and act on the agreements. (9/18/07)

3. D2005.6.105 – PSC Initiated – PSC investigation, direction, Qwest use of federal USF's – Discussion, direction, action on pending motions, objections, discovery issues, etc., other matters as necessary. (9/18/07)
4. N2007.8.92 – PSC Initiated / Montana ETC's – Annual Certification of ETC's – Discussion and action on ETC 2007 requests for certification. (9/18/07)
5. NWE's upcoming electricity supply resource procurement plan – Discuss hiring a consultant to evaluate the portion of the plan concerning NWE's assessment of a residential time-of-use pilot program. (9/18/07)
6. N2006.5.60 – Adoption of Energy Policy Act 2005 Standard Regarding Interconnection – Discuss hosting a technical conference to discuss the merits of adopting IEEE Standard 1547 for interconnecting electric consumer on-site generation to a utility's local distribution facilities. (9/18/07)
7. D2004.7.99, D2004.12.192, D2005.6.106 – NWE – Electric and natural gas USB program allocations – Discuss and act on Energy Share's motion to extend the terms of Second Interim Order No. 6679b. (9/18/07)
8. Court DV-07-57, 16th Jud. Dist., removal to fed. court pending – Colstrip Energy Limited Partnership – Court complaint and judicial review of PSC orders in PSC dockets D2003.7.86, et al., consolidated NWE annual QF avoided cost – Placeholder for discussion and action on any matter that might arise. (9/18/07)
9. N2007.5.50 – DEQ – MDU Electric Least Cost Plan Filing – Consider a request from DEQ for additional time to comment on the plan. (9/18/07)
10. D2006.6.94, D2007.6.59, consolidated – NorthWestern Energy – Annual Qualifying Facility Avoided Costs – Discussion, direction, action on all pending motions, objections, interim rates, etc. (9/18/07)
11. Out of state staff travel – Act on request for Eric Dahlgren to attend a required Pipeline Safety training course (the Gas Integrity Management Protocol Seminar), Oct. 16-19, 2007, in Oklahoma City. (9/18/07)
12. Exempt staff and Utility Engineer pay raises; other personnel issues if necessary – Request approval of proposed raises. (9/18/07)
13. **9/19/07 9:00 a.m.** – D2006.3.39 – Qwest – Filing to offer certain services as not regulated – Continue discussing any and all matters related to this docket and to get decisions to draft a final order. (9/19/07)

Other Meetings

Weekly Scheduling, Review of Monthly Calendars, and Docket Status Updates (if requested by a Commissioner).

Notice Items All items identified below are noticed for public participation purposes. Unless otherwise stated in the text of the notice, the items will be action items on the next following agenda or a subsequent agenda and participation may be had by submitting written comments to the Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana, 59620-2601, within 5 calendar days following publication of this agenda. Public comments on a noticed matter may also be submitted within the required time through the PSC's web-based comment form at <http://psc.mt.gov/Consumers/comments>. Comments should reference the docket number of the matter.

1. E-Energy, Inc. N2007.8.101 (Kate)

On August 31, 2007, E-Energy, Inc., filed an application for an electricity supplier license pursuant to ARM 38.5.8001 et seq. E-Energy intends to serve customers other than those retail electricity customers that qualify as "small customers" as that term is defined in ARM 38.5.6001(1). [This notice item is repeated from last week in order to correct the information regarding the customers E-Energy intends to serve.]

Protective Orders – Notice Items The Commission has received the following requests for protective order pursuant to ARM 38.2.5007. The Commission will rule on the requests no earlier than 10 days after the publication date of this agenda. Comments on the requests may be submitted at any time prior to ruling. Any person wanting a copy of a protective order request should contact the Commission at (406) 444-6199.

Protective Orders – Information Items The Commission has issued the following protective orders. These orders may be challenged pursuant to ARM 38.2.5008. Copies of these orders may be obtained by calling the Commission at (406) 444-6199.

1. Qwest Corporation D2006.10.143 (Jim)

On September 12, 2007, the Commission issued a protective order requested by Qwest Corporation in D2006.10.143. The order protects from public disclosure specified pages setting forth Qwest's calculation of the value of its business, financial detail regarding Qwest's operation that is not

available elsewhere, and Qwest's assessment of the reproduction cost new depreciated of its plant and equipment.

Information Items All items identified below are for information only.

New Filings Received in Past Week